State of South Carolina
State Ethics Commission

GARY R. BAKER
EXECUTIVE DIRECTOR

(803) 253-4192
FAX (803) 253-7539
5000 Thurmond Mall,Suite 250
P.O. Box 11926
Columbia, S.C. 29211

November 1996- February, 1997 NEWSLETTER 97-002

IMPORTANT DATES

Keep in mind the following dates during the spring and summer months:

April 1..........Entity Rating Organization Forms Due
April 10..................................Campaign Disclosure Quarterly Report Due
April 10....................Lobbyist & Lobbyist's Principal Disclosures Due
April 15.........Statement of Economic Interests Due
April 30..................................Commission Meeting
May 26................................Memorial Day Holiday
June 18.................................Commission Meeting
June 30........Public Relations Contracts Forms Due

IMPORTANT NOTE: Forms are due *in this office* prior to or on the indicated filing date. The postmark date is not accepted as the filing date. Late filing penalties accrue from the deadline date.

Advisory Opinions

SEC AO97-003 November 20, 1996

Subject: A lobbyist's principal may host a teacher workshop for local school district teachers and employees.

Summary: Private industry may host teacher workshops which assist the governmental entity in carrying out its mandated responsibilities. The receipt of training is of benefit to the governmental entity and the entity may accept the teacher workshop as long as there is no intent to influence the effect therefrom. The group invitation and spending limitations applicable to public official's and public employee's receipt of things of value from a lobbyist's principal do not apply to a lobbyist's principal providing teacher workshops to a local school district and its teachers.

SEC AO97-004 February 19, 1997

Subject: Community oriented non-profit organization awarding law enforcement officers and firefighters monetary awards in recognition for outstanding service to the community resulting in service related injuries permitted.

Summary: A community oriented non-profit organization may award law enforcement officers and firefighters who are injured in the line of duty with plaques and monetary awards if the decision to do so is made by an impartial selection committee from a qualified pool of candidates.

Campaign Disclosure Deadline

All candidates who are seeking a public office or those candidates who still have an active campaign account are reminded that a Campaign Disclosure Form is due prior to or on April 10. This report is required to be filed even if there has been no campaign activity since the last report and if a "Final" report has not been filed.

If you have any questions on the filing of this form, please contact this office.

Training Sessions a success

Three lobbyist and lobbyist's principal training sessions were held in November, December, and January. Each session was a success. The initial response was so overwhelming that we had to provide two training sessions for each day scheduled!

We are planning additional training sessions in the summer and before the new legislative session begins in 1998. Training sessions will be listed in upcoming newsletters. If you are interested in attending one of these sessions, please contact Hannah King at (803) 253-4192.

Lobbyist/Lobbyist's Principal Registrations and Disclosures

All lobbyists and lobbyist's principals are reminded that reregistrations for the 1997 calendar year were due prior to January 5. All new registrations are due within fifteen (15) days after being hired, retained, or employed as a lobbyist, or within fifteen (15) days after hiring, retaining, or employing a lobbyist.

As of February 18, 1997, a total of 639 lobbyist/lobbyist's principal registrations existed, encompassing 292 lobbyists and 347 lobbyist's principals. Included are 22 state agency lobbyists representing 20 state agencies.

For calendar year 1996, lobbyists reported income and expenditures totaling $8,520,367 while the principals reported expenditures of $9,765,965. This represented spending by 326 lobbyists and 411 lobbyist's principals. Sixteen state agency lobbyists and 19 state agencies are represented.

Entity Listing Update

A listing of all current filers of the Statement of Economic Interests Form was mailed to each entity in November. The entity was requested to make any corrections and return the listing to the Commission prior to December 16, 1996. Some entities still have not returned their updated listing to the Commission. These lists are utilized in mailing forms to those listed and in post-filing follow-up. Each entity is asked to please recheck their files to make sure their list was submitted back to the Commission with any deletions, additions, or other changes.

We thank you for your help in updating our records!

Statement of Economic Interests Forms

Statement of Economic Interests Forms were mailed to all current filers in early January. If any filer has not received their form, please contact the Commission office. **Forms are due *in this office* prior to or on April 15.** Please note that the filing date is the date received in this office, and not the postmark date.

Any forms filed after April 20(there is a five-day statutory grace period) are subject to penalties of $100 plus $10 for each additional day the form is late to a maximum penalty of $600..

For your information...

If you are interested in determining who is registered as a lobbyist or lobbyist's principal, the monthly updates are listed on the World Wide Web at:

http://www.lpitr.state.sc.us

Public Employee/Candidate Training

Last year the State Ethics Commission offered several training sessions in the Ethics Reform Act for public officeholders and candidates who were seeking public office. The Ethics Reform Act contains a number of provisions affecting their conduct and establishes requirements for campaign finance activities and disclosure. The statute also provides for financial disclosure which must be filed annually by certain public officeholders.

The Commission has developed a computer training program which can be geared toward specific groups. If your office or agency would be interested in having this training session brought to your office or if candidates or officeholders would be interested in attending a program at the Commission, please call the Commission to set up a date and time for the training.

Filing Deadlines

All lobbyists and lobbyist's principals are reminded of the April 10 disclosure deadline. This report will cover the period of January 1 - March 31. Forms will be mailed to each lobbyist and lobbyist's principal the first week in March.

All candidates are reminded of their April 10 Campaign Disclosure deadline. This report covers the period of January 1 - March 31 or from your last report through March 31, whichever is later.

All filers of the Statement of Economic Interests Form are reminded of the April 15 deadline.

In each case, the forms must be *in this office* on or before the required deadline day. Postmarks are not accepted as the filing date. The Commission is authorized to assess late filing penalties. If you have any questions, please feel free to contact our office. We will be happy to assist you.

Frequently asked questions...

The State Ethics Commission handles forms for all candidates, lobbyist and lobbyist's principals, and all annual financial disclosure filers. There are a lot of questions regarding these forms. In this edition of the newsletter, we will address some of the most frequently asked questions regarding the **Campaign Disclosure Form.** If you have further questions, please call the commission.

Q. Do I have to open a separate campaign account?

A. Yes. It is required by state law that all candidates open a separate campaign account for all contributions and expenditures made on behalf of your campaign. You may not use your personal checking account for any reason except to pay for the filing fee and then only if no additional funds are raised or spent. If you finance your own campaign using personal funds, you must transfer the funds from your personal account to your separate campaign account.

Q. Are dates and addresses required on all contributions and expenditures itemized?

A. Yes. All contributors who donate more than $100 to your campaign must be itemized on Schedule A with dates, full name and full address of the contributor, and the amount contributed. Any contributor's name who donates less than $100 does not need to be disclosed, but you must maintain a record of all such contributors to your campaign.

All expenditures, no matter the cost, must be itemized on Schedule B with the date, full name and full address of where the item or service was purchased, the purpose for the expenditure and the amount of the item or service.

Q. When are the forms due?

A. Initial- Within ten days after spending or receiving the initial $500 of your campaign. This amount can be in one lump sum or the amount several contributions or expenditures. The $500 threshold also includes a candidate's funds which are to be utilized in the election campaign. Candidates who don't spend or receive $500 during their campaign are not required to submit the "Initial" report.

Pre-Election- ***All*** candidates are required to submit a report at least fifteen days prior to each election no matter how much has been received or spent by the candidate. This report covers from the last report(if any) through twenty days prior to the election.

Quarterly- These reports are **due on** January 10, April 10, July 10, and October 10. Each covers a three month period(i.e., the January 10 report covers the period of October 1 - December 31; April 10, the period of January 1 - March 31; July 10, the period of April 1 - June 30; and October 10, the period of July 1 to September 30). This gives you a ten day period to prepare your reports and mail them to our office.

Final- The final report may be filed at any time after the pre-election report is filed or may be filed as the pre-election report if you have (1) closed out your campaign account, (2) have a zero balance, and (3) have no outstanding debts related to your campaign. Once you file your final report, you may not accept additional contributions or make further expenditures for that particular campaign.

Q. Is there a maximum amount I can accept from a contributor?

A. Yes. Candidates running for local office may only accept $1,000 per election cycle from a contributor; candidates seeking state office may only accept $3,500 per election cycle from a contributor.

Q. What is an election cycle?

A. An election cycle is the period beginning the day after one election up to the next general election for that office.

Q. What happens if I have primary and runoff opposition?

A. If there is no opposition during the election cycle, one contribution limit applies per contributor. If a candidate has primary opposition or runoff opposition, the contribution limit applies to each of those elections as well.

If you have no primary opposition, there is only one contribution limit which applies.

If you have further questions, please call the commission office at (803) 253-4192.

What would you do...?

Q. There is a valued employee in your office who is really liked by you and all other employees and is very trustworthy and dependable. The other day this employee admitted to you that he/she has been "borrowing" money from the petty cash fund but always repays the amount he/she borrowed on payday. What action do you take?

A. The petty cash fund is to be accounted for as are any other public funds. The use of a petty cash fund to finance personal activities violates Section 8-13-700(A) of the Ethics Reform Act which prohibits the use of public resources unless such use is incidental and there is no public expense.

Strictly speaking, the employee has stolen money from the petty cash fund, even if the employee has been repaying the amount he or she "borrowed." The trust you have placed in this employee has been destroyed. If you excuse this employee, the message is sent to other employees that it is ok to "borrow" money from the petty cash fund.

State Ethics Commission
P.O. BOX 11926
COLUMBIA, S.C. 29211